



August 26, 2002

Mr. Henry Dean
Executive Director
South Florida Water Management District
3301 Gun Club Run
West Palm Beach, FL

Dear Mr. Dean:

Thank you for the opportunity to provide preliminary comments on the Draft Reservation Rule White Paper prepared by your staff. They have performed an excellent analysis of the issues and there are many supportable policies embodied within the paper's proposals.

Several areas of concern, however, require further improvements to adequately prepare this complex set of subjects for the formal rule-making process. Florida Statutes 373.0831 requires the State to develop and fund water resource projects to insure the availability of sufficient water for all existing and future reasonable and beneficial uses under conditions up to and including a one-in-ten-year drought event. This mandate requires the South Florida Water Management District (SFWMD) to provide adequate water for the existing and future Miami-Dade Water and Sewer Department (MDWASD) system, under conditions up to and including a one-in-ten-year drought event. We believe that the need to establish a pre-Comprehensive Everglades Restoration Plan (CERP) baseline in no way means that the SFWMD may stop providing water needed to furnish the MDWASD system now or in the future. I hope that this is not the proposal contained within the draft Reservation White Paper and would suggest that language be added to the White Paper that clearly articulates the intent of the SFWMD to provide water for existing and future MDWASD customers under conditions up to and including a one-in-ten-year drought event.

We do understand the need to define the baseline and existing legal sources, that is, so that the quantity and quality of water to be replaced by CERP water is defined. For this baseline, we strongly recommend that the physical installed capacity of the wellfield system should be utilized. As you know, MDWASD

multiple wellfields have been constructed using revenue bonds which require the County to pledge revenues from its ratepayers for the repayment of those bonds. Any baseline commitment less than the installed capacity would reduce MDWASD's ability to maximize the revenues collected from its ratepayers. Therefore, we suggest that the proposed definition of existing legal source allow for such financial commitments or the constructed capacity of the water system.

The draft Reservation Rule must address the protection of the water quality, as was expressed by Bill Brant at the July 15, 2002 Water Resources Advisory Commission meeting, for both wellfield and natural system requirements. MDWASD is currently completing a \$50 million construction project to upgrade the treatment at its Hialeah/Preston Water Treatment Plant to comply with new federal rules regarding disinfection by-products. These treatment improvements were selected after full-scale pilot testing, and the water treatment plant was customized to match the organic content of the raw water at the Northwest Wellfield (NWWF). Any change to the water quality of the NWWF water would jeopardize the success of this project and could place Miami-Dade County in non-compliance with the federal act. We are aware of CERP plans to alter the source of water supply to the NWWF, but no information has been provided to address the County's concerns.

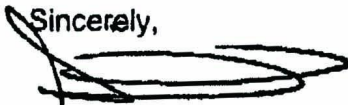
If the Lower East Coast Plan is no longer operative, it becomes difficult to support that plan's recommendation for establishment of a pre-CERP reservation of water for the Everglades Protection Area, particularly since Biscayne Bay is not proposed to enjoy such a reservation in the pre-CERP context. Excluding "regional water to tide" from the concept of "existing legal sources" would establish the pre-CERP baseline for Biscayne Bay as zero. Like Florida Bay, Biscayne Bay is a tidal estuary that historically received freshwater through surface and groundwater flow. Maintaining or restoring its natural function depends on a continuing source of clean freshwater that will provide stable water supply for fish and wildlife and will not degrade water quality. Aside from the obvious factual inaccuracy of a determination that freshwater discharges to the Bay are not an existing natural system requirement, this "without-project" condition is inconsistent with objectives for the Biscayne Bay Coastal Wetlands and Reuse CERP projects and the up-coming Reconnaissance Study for identifying additional water to benefit Biscayne Bay and Biscayne and Everglades National Parks. "Excess regional water to tide" is also the source of the seasonal allocation the County needs to charge our utility-operated Aquifer Storage and Recovery systems, which provide direct and indirect benefits to all users in times of scarcity. We therefore recommend that Biscayne Bay be designated as an additional legal source user basin, as Everglades, Florida Bay and Big Cypress have been.

As you know, we greatly appreciate the District's outstanding cooperation and assistance with the flooding situation in the C-4 basin and the agricultural areas of southern Miami-Dade County. Unfortunately, if a pre-CERP baseline for flood protection is established according to what actually existed on the date of Water Resources Development Act's enactment, that decision would effectively allow a reversal of critical improvements funded by FEMA, the District and ourselves, because they were not fully constructed and operational on that day. Miami-Dade's residents and elected officials seem unlikely to accept a scenario that would establish CERP's flood protection levels of service at pre-Hurricane Irene conditions. In any event, the South Florida Water Management Model is not able to address these issues, with its two mile by two mile scale. Until reliable sub-regional modeling and detailed topographical data east of the protective levee is available, this key aspect of CERP's purposes, under both WRDA and State law, is not properly addressed in the District's Reservation White Paper and elsewhere.

Finally, many people will not understand the concept of Volume Probability Curves. We would suggest using wet, normal and dry year benchmarks, as an alternative. In order to directly link this rule with other policy and regulatory efforts, perhaps it would be best to focus on 1 in 10 flooding years, "mean" or average years and a set of 1 in 10 drought years, for these purposes.

As always, we look forward to working with you and your staff on these and other significant issues in the future. Thank you for your attention to our concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Shiver", written over a horizontal line.

Steve Shiver
County Manager